



STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR
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DEPARTMENT OF NATURAL RESOURCES
JEFFREY R. VONK, DIRECTOR

Memo

To: All permitted solid waste sanitary disposal projects in Iowa
From: Iowa Department of Natural Resources
CC:
Date: January 11, 2007
Re: Financial Assurance requirements

If you are the owner or operator of one of the facility types listed below, the following will have an impact to your permitted facility.

In 1986, the Code of Iowa was amended to require financial assurance requirements for all sanitary disposal projects. The purpose of financial assurance responsibility requirements is to assure that funds will be available to pay for the safe and orderly closure of facilities. This includes, for example, removing and properly disposing of solid wastes that would be left on site as a result of unexpected or inadequate closure of a permitted facility. Having a financial assurance mechanism in place such as a cash account, surety bond or letter of credit compliments the already required closure plan that is incorporated into your facility's permit.

Financial assurance requirements for municipal solid waste landfills were adopted by the Department in 1994 (567—Chapter 111). Since 2002, financial assurance requirements have been adopted for composting facilities (567—Chapter 105) and transfer stations (567—Chapter 106). The Department's intent was to continue incorporating financial assurance requirements into the remaining solid waste chapters as they were periodically reviewed. A recent legal challenge has required the Department to take immediate action in implementing financial assurance requirements for all of the remaining solid waste chapters. The Department is in the process of doing so and is currently taking public comments on the proposed rule language until March 28, 2007.

The proposed financial assurance requirements apply to the following facilities:

- 567-Chapter 103, coal combustion residue landfills;
- 567-Chapter 104, solid waste processing facilities;
- 567-Chapter 105, solid waste composting facilities;
- 567-Chapter 106, solid waste transfer stations;
- 567-Chapter 112, biosolids monofill sanitary landfills;
- 567-Chapter 114, construction and demolition waste landfills;
- 567-Chapter 118, appliance demanufacturing facilities;
- 567-Chapter 120, persons engaged in the permitted land application of petroleum contaminated soils;
- 567-Chapter 121, persons engaged in the permitted land application of solid wastes;
- 567-Chapter 122, cathode ray tube collection and recycling facilities; and,
- 567-Chapter 123, household hazardous waste regional collection centers.

Exceptions to the new financial assurance requirements are proposed for municipal solid waste landfills to which the current financial assurance requirements are applicable. For example, a municipal solid waste landfill operator/owner that is also permitted to demanufacture appliances at the landfill would not be required to obtain a surety bond for \$20,000 as is proposed for appliance demanufacturing facilities. The rationale is that the average cost estimate for closure at a MSW landfill exceeds \$800,000 and any additional closure costs incurred for other permitted activities, such as appliance demanufacturing, are small in comparison and should be covered by the financial assurance mechanism already in place set aside for closure of the landfill.

The rule making package that is open for public comment is being provide to you with this memo and can also be found at <http://www.legis.state.ia.us/Rules/Current/Bulletin/IAB070103.pdf> (page 887 of the Iowa Administrative Bulletin published January 3, 2007). The package includes each chapter of solid waste rules listed above and the financial assurance language being proposed for those chapters. Please read the proposed rules for financial assurance that apply to your facility. If you have questions or would like to make written formal comments pertaining to the proposed rule revisions you may do so on or before 4:30 p.m. on March 28, 2007. Such written materials should be directed to Alex Moon, Energy & Waste Management Bureau, Iowa Department of Natural Resources, 502 East 9th Street, Wallace State Office Building, Des Moines, IA 50319-0034; fax (515) 281-8895 or alex.moon@dnr.state.ia.us. Persons wishing to convey their views orally should contact Alex Moon at (515) 281-6807.

When submitting comments, the Energy and Waste Management Bureau encourages stakeholders to utilize the following guidelines. These guidelines aid the Bureau in accurately understanding and creating a record of your input.

1. Include your mailing address and contact information.
2. Please state if you are submitting comments on behalf of a business, organization or as an individual.
3. Cite the specific rule(s) on which you are commenting.
4. Explain your views as clearly as possible by describing any assumptions, data, or technical information you utilized.
5. Provide specific examples to illustrate your concerns.
6. Offer alternative language that you think would improve the specific rule(s) and explain why.

A public hearing will be held on March 28, 2007 from 10:00 a.m. – 12:00 p.m. in the 5th floor West Conference Room of the Wallace State Office Building, at which time persons may present their views either orally or in writing. At the hearing, persons will be asked to give their names and addresses for the record and to confine their remarks to the subject of the rule.

Any persons who intend to attend the public hearing and have special requirements, such as hearing or mobility impairments, should contact the Department of Natural Resources to advise of special needs.